



1 FINANCE AND ADMINISTRATION CABINET

2 Department of Revenue

3 (Amendment)

4 103 KAR 8:110. Apportioned vehicles

5 RELATES TO: KRS 132.487

6 STATUTORY AUTHORITY: KRS 131.130, 132.487, 136.188(2)(a)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the  
8 Department of Revenue to promulgate administrative regulations for the administration of all tax  
9 laws. KRS 136.188(2)(a) ~~[enacted by the 2006 GA]~~ requires the Department of Revenue to promul-  
10 gate an administrative regulation designating an authoritative source of depreciation values for the  
11 determination of the annual fee imposed on apportioned motor vehicles by KRS 136.188(1). This  
12 administrative regulation establishes the authoritative source of depreciation values for  
13 determining the annual fee on apportioned motor vehicles.

14 Section 1. The ~~[Effective January 1, 2007, the]~~ publication titled "Marshall Valuation Service"  
15 from Marshall & Swift/Boeckh, LLC, shall be the designated authoritative source of vehicle  
16 depreciation values for the determination of the annual fee imposed on apportioned motor vehicles  
17 by KRS 136.188(1).

18 ~~[Section 2. Incorporation by Reference. (1) "Marshall Valuation Service", Marshall &~~  
19 ~~Swift/Boeckh, LLC, 2006 edition, is incorporated by reference.~~

20 ~~(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at~~  
21 ~~the Office of Property Valuation, Department of Revenue, Finance and Administration Cabinet,~~

1 ~~200 Fair Oaks Lane, Frankfort, Kentucky 40620, Monday through Friday, 8 a.m. to 4:30 p.m.]~~

103 KAR 8:110

APPROVED:

*Daniel Bork*  
DANIEL BORK, COMMISSIONER  
Department of Revenue  
Finance and Administration Cabinet

JUNE 6, 2019  
DATE APPROVED BY AGENCY

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held on July 25, 2019 at 10:00 a.m. in Room 9B, State Office Building, 501 High Street, Frankfort, KY 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through July 31, 2019. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Lisa Swiger, Tax Policy Research Consultant II, Department of Revenue, 501 High Street, Station 1, Frankfort, Kentucky, 40601, (502) 564-9526 (telephone), (502) 564-3875(fax), [Lisa.Swiger@ky.gov](mailto:Lisa.Swiger@ky.gov)(email).

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation Number: 103 KAR 8:110

Contact Person: Lisa Swiger  
Phone Number: (502)564-9526  
Email: Lisa.Swiger@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation amends 103 KAR 8:110 to remove Section 2: Incorporated by Reference that contained references to an outdated 2006 version of a valuation manual.

(b) The necessity of this administrative regulation: To update 103 KAR 8:110 to remove an outdated incorporated by reference citation.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 131.130(1) provides authority for the department to promulgate regulations as needed to for the administration of the tax laws of the Commonwealth of Kentucky.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This regulation will insure that the Department of Revenue is in compliance with KRS 13A.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: See (1)(a).

(b) The necessity of the amendment to this administrative regulation: See (1)(b).

(c) How the amendment conforms to the content of the authorizing statutes: See (1)(c).

(d) How the amendment will assist in the effective administration of the statutes: See (1)(d).

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Automotive dealers and automotive owners.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: None.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): None.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): None.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: There are no new costs associated with the promulgation of this administrative regulation. Current department funding will be utilized for implementation.

(b) On a continuing basis: None.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: None.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change, if it is an amendment: No increase in fees or funding will be necessary to implement this amendment.

(8) State whether this administrative regulation establishes any fees or directly or indirectly

increases any fees: No fees are directly or indirectly increased.

(9) TIERING: Is tiering applied? Tiering is not applied. This administrative regulation will require all taxpayers previously impacted by its provisions to adhere to the same guidelines.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation Number: 103 KAR 8:110

Contact Person: Lisa Swiger  
Phone Number: (502)564-9526  
Email: Lisa.Swiger@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? Only the Finance and Administration Cabinet, Department of Revenue will be impacted.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS Chapter 13A and 131.130.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. There will be no effect on expenditures and revenues for government agencies because of amending this administrative regulation to provide more recent and up to date information.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? None.

(d) How much will it cost to administer this program for subsequent years? None.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: